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Cc: []
Bcc: []
From: CN=Tim Vendlinski/OU=R9/O=USEPA/C=US
Sent: Tue 7/17/2012 5:46:47 PM
Subject: Fw: (Bay Delta) Garamendi, Northern California Representatives Send Bay Delta Conservation Plan Letter
donald.lathbury@mail.house.gov
matthew.kravitz@mail.house.gov
[sent a letter to Interior Secretary Salazar, Acting Commerce Secretary Blank, California Governor Brown, and California Natural Resources Agency Secretary Laird encouraging them to undertake a more thorough statewide cost-benefit analysis in the Bay Delta](#)
[The letter](#)
[HR 1837](#)
[linked here](#)
[linked here](#)

...keeping you in the loop.

----- Forwarded by Tim Vendlinski/R9/USEPA/US on 07/17/2012 10:45 AM -----

From: Brent Maier/R9/USEPA/US
To: Karen Schwinn/R9/USEPA/US@EPA, Tom Hagler/R9/USEPA/US@EPA, Nancy Woo/R9/USEPA/US@EPA, Kristin Gullatt/R9/USEPA/US@EPA, Tim Vendlinski/R9/USEPA/US@EPA
Cc: Bill Keener/R9/USEPA/US@EPA, zito.kelly@epa.gov, Michael Ardito/R9/USEPA/US@EPA, "Nahal Mogharabi" <Mogharabi.Nahal@epa.gov>
Date: 07/17/2012 07:57 AM
Subject: (Bay Delta) Garamendi, Northern California Representatives Send Bay Delta Conservation Plan Letter

Please see the attached press release that Congressman John Garamendi staffer, Brian Hooker, shared with me regarding the Bay Delta.

Brent Maier
Congressional Liaison
Telephone: 415.947.4256

From: "Hooker, Brian" <Brian.Hooker@mail.house.gov>
To: "Hooker, Brian" <Brian.Hooker@mail.house.gov>
Date: 07/16/2012 04:39 PM
Subject: FW: Garamendi, Northern California Representatives Send Bay Delta Conservation Plan Letter

From: Kravitz, Matthew
Sent: Monday, July 16, 2012 2:21 PM
To: Bor, Kristen; Lathbury, Donald; Minto, Brandon; Hooker, Brian

Subject: Garamendi, Northern California Representatives Send Bay Delta Conservation Plan Letter

FOR IMMEDIATE RELEASE

July 16, 2012

Contact: Donald Lathbury (202) 570-3178 donald.lathbury@mail.house.gov

Matthew Kravitz (202) 731-3017 matthew.kravitz@mail.house.gov

Garamendi and Northern California Congressional Leaders Send Letter Urging More Analysis of Bay Delta Conservation Plan Process

WASHINGTON, DC – Today, Congressman John Garamendi (D-Fairfield, CA), a Member of the House Natural Resources Committee and former Deputy Secretary of the Interior, sent a letter to Interior Secretary Salazar, Acting Commerce Secretary Blank, California Governor Brown, and California Natural Resources Agency Secretary Laird encouraging them to undertake a more thorough statewide cost-benefit analysis in the Bay Delta Conservation Plan (BDCP) process. Congressman Garamendi was joined in the letter by Representatives George Miller, Jerry McNerney, Mike Thompson, Doris Matsui, Lynn Woolsey, Pete Stark, Barbara Lee, Sam Farr, Jackie Speier, and Anna Eshoo.

The letter points out serious deficiencies in a recent benefit analysis conducted by Dr. David Sunding for state officials on whether a planned conveyance facility would be large enough for water exporters. This analysis and the present course of BDCP policy have failed to look at the catastrophic costs that would occur with a facility of the scale currently being considered. As the letter states, the project “threatens water districts, fishermen, agriculture, landowners, and other stakeholders in Northern California by assuming massive increases in water exports and regulatory assurances that would shift the mitigation burden to other water rights holders.” Even the smallest conveyance facility considered in Dr. Sunding’s analysis would present an unacceptable danger to the ecologically vulnerable Sacramento-San Joaquin Delta, Delta and northern California water users, and the regional economy that the Delta supports.

“The BDCP process is heading toward the creation of a massive water diversion facility that could destroy the entire Delta,” said Congressman John Garamendi (CA-10). “The only protection against this catastrophe is existing water rights and environmental laws at the federal and state levels, which the House of Representatives has already voted to completely overturn with the disastrous HR 1837. Instead of moving headlong on this dangerous course, we must develop an overarching water vision for California that includes critical improvements for the Delta’s levee infrastructure, coupled with increased water recycling, conservation, and storage.”

“We’re asking for answers to basic questions. All stakeholders must be able to fully evaluate the proposals on the table. Californians deserve a more thorough financial analysis, and a clearer picture of the impacts of the plan, than we’ve seen so far,” said Rep. George Miller (CA-7).

“Time and again, the interests of the people who rely on the Delta for their livelihoods have been ignored. Now we see through clear scientific proof that any plan that includes a canal will devastate the region, costing millions of dollars and countless jobs. We need a plan that will do right by the families, farmers and small business owners who call the Delta home. To knowingly destroy the resource that a vast amount of people rely on is completely unacceptable,” said Rep. Jerry McNerney (CA-11).

“Sound science must be at the heart of all BDCP decisions,” said Rep. Mike Thompson (CA-1). “Before any decisions are made, we need a transparent, comprehensive and impartial discussion on how this would impact the Delta and its surrounding areas. The worst thing we could do is rush to a under-researched decision that devastates the livelihoods of farmers, fishers and businesses who depend on the Delta.”

“The present Bay Delta Conservation Plan is a recipe for disaster for Northern California's economy, the health of the Delta, and the future of our fisheries,” said Rep. Pete Stark (CA-13). “Before building additional infrastructure

to divert water from the Delta we need a statewide water policy vision that considers the impacts on all stakeholders, including those in and around the Delta and Bay Area, and puts us on a sustainable course."

"We've repeatedly called on BDCP negotiators to put policy before plumbing," said Congresswoman Jackie Speier (CA-12). "But with 11th hour studies like these, the BDCP appears more like a kangaroo process in which the outcome is foretold and the scientific warnings over water diversions are ignored. Northern California cities and counties, Pacific coast fishermen and Delta farmers are being asked to sign on the dotted line for a massive, multi-billion dollar water conveyance facility. An actual cost-benefit analysis not geared toward the beneficiaries of a massive facility should not be too much to ask."

On Friday, Dr. Jeffrey Michael, Director of Business Forecasting Center at University of the Pacific, released a separate, more thorough cost-benefit analysis of the planned facility, which found that the costs substantially outweigh the benefits. The report, a "Benefit-Cost Analysis of Delta Water Conveyance Tunnels," is linked [here](#).

A PDF of the Representatives' letter is linked [here](#) and its text is provided below:

July 11, 2012

The Hon. Ken Salazar
Secretary
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

The Hon. Rebecca Blank
Acting Secretary
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, DC 20230

The Hon. Jerry Brown
Governor
State of California
c/o State Capitol, Suite 1173
Sacramento, CA 95814

The Hon. John Laird
Secretary
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Dear Secretary Salazar, Governor Brown, Acting Secretary Blank, and Secretary Laird:

We write in response to Dr. David Sunding's presentation "Benefit Analysis of Bay Delta Conservation Plan (BDCP) Project Alternatives" at the recent BDCP public meeting that took place on June 20, 2012 in Sacramento, California. Dr. Sunding's analysis was completed at the request of State in order to determine whether the benefits of a conveyance facility were large enough to make the project worthwhile for key water exporters. While we are pleased that State and Federal agencies have finally begun to engage in a discussion about economics, we believe that Dr. Sunding's analysis was incomplete at best, and the project Dr. Sunding analyzed threatens water districts, fishermen, agriculture, landowners, and other stakeholders in Northern California by assuming massive increases in water exports and regulatory assurances that would shift the mitigation burden to other water rights holders.

Only with a comprehensive statewide view of both the costs and benefits to all stakeholders will we understand how our stakeholders will be impacted by a conveyance facility.

Dr. Sunding concluded that the “analysis demonstrates that the benefits of BDCP exceed the costs borne by the agencies funding the isolated conveyance facility.” A closer look, however, finds several issues with various aspects of his calculations. First, the smallest conveyance facility analyzed would deliver 5.3 million acre feet (MAF) of water to south of Delta exporters per year. Our understanding is that this is approximately 1 MAF of water more than what the resource agencies have indicated is safe for the Delta. Secondly, the BDCP alternatives analyzed are only economically justified if and when regulatory assurances are provided to exporters, meaning that water deliveries of 5.3 MAF, in this case, would need to be guaranteed. We strongly object to the notion of these assurances because impacts would simply be redirected to other water rights holders and/or the Delta environment, which would be degraded as a result. Our understanding is that regulatory assurances are not currently part of negotiation discussions, leading us to ask why then these assurances would be included in the benefits analysis.

A separate cost-benefit analysis conducted by Dr. Jeffrey Michael, Director of Business Forecasting Center at University of the Pacific, came to quite a different conclusion than Dr. Sunding’s. Taking into account in-Delta and upstream impacts, while not including the benefits of regulatory assurances, Dr. Michael found that “costs of the tunnel are 2.5 times larger than its benefits, and thus the project is not economically justified due to a benefit-cost ratio of 0.4.” It is worth noting, however, that if one discards the “benefits” of unjustified and damaging assurances included in Dr. Sunding’s analysis, these two efforts reached remarkably similar conclusions about the lack of cost effectiveness of the large facility currently under consideration by the BDCP.

The discrepancies between these two studies, as well as the issues raised with Dr. Sunding’s benefits analysis demonstrate the necessity of a comprehensive, statewide cost-benefit analysis that considers the impacts on all stakeholders, rather than just the beneficiaries. These issues pose additional questions that must be answered prior to settling on a preferred project. We ask that you carefully consider the following questions and provide us with a detailed response prior to the pending July 25th announcement.

Why did Dr. Sunding’s analysis not include a range of diversions from 4.5 – 5.5 MAF? Why did it not include the 4.3 – 4.4 MAF level of exports that the state and federal fisheries agencies have identified as possibly scientifically justified? Can you please provide an analysis based on lower export levels?

Why are assurance benefits included in Dr. Sunding’s analysis, if, as we understand, regulatory assurances are not now being contemplated?

If you are contemplating assurances, how would they affect other water rights holders? How would such assurances be consistent with an adaptive management approach?

Why did Dr. Sunding’s analysis fail to include a full analysis of costs, particularly costs to Delta and northern California counties?

Why did Dr. Sunding’s analysis not include less costly options, such as a single 3,000 cfs intake coupled with a single tunnel that could be operated at a level that fish agencies have indicated could be permitted? Can you please provide an analysis based on lower intake capacities?

Why did Dr. Sunding’s analysis fail to consider water sources such as conservation and water recycling as alternatives to a large facility? These are proven water sources, and several Southern California water agencies are planning to use these sources to enable them to reduce their reliance on Delta water, pursuant to State law.

Is the State planning on engaging in a thorough, peer reviewed cost-benefit analysis? If so, when can we expect that report? If not, why?

As you know, California Congressional Members have written many letters to the state and federal agencies

regarding our concerns about the BDCP, and we have yet to receive a response to letters dated May 16, 2012 to Department of the Interior (DOI) and June 22, 2012 to DOI and Department of Commerce (DOC). In closing, we would like to request: 1) a briefing with you and other relevant agency heads before July 25th; 2) written answers to the questions in this letter; and 3) a commitment to delay announcing a new draft project until the state and federal agencies have completed the analyses requested in this and previous letters.

Sincerely,

JOHN GARAMENDI
Member of Congress

GEORGE MILLER
Member of Congress

JERRY MCNERNEY
Member of Congress

MIKE THOMPSON
Member of Congress

DORIS O. MATSUI
Member of Congress

LYNN WOOLSEY
Member of Congress

PETE STARK
Member of Congress

BARBARA LEE
Member of Congress

SAM FARR
Member of Congress

JACKIE SPEIER
Member of Congress

ANNA ESHOO
Member of Congress

Cc: The Hon. Nancy Sutley, Chair, Council on Environmental Quality
Dr. Jerry Meral, Deputy Secretary, California Natural Resources Agency

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